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BEFORE THE ARIZONA CORPORATION COMMISSION

COMMISSIONERS

Arizona Corporation Commission

DOCKETED

SEP 23 2013

BOB STUMP - Chairman
 GARY PIERCE
 BRENDA BURNS
 BOB BURNS
 SUSAN BITTER SMITH

DOCKETED BY

NR

IN THE MATTER OF THE APPLICATION OF
 TORTOLITA WATER COMPANY FOR A RATE
 INCREASE.

DOCKET NO. W-02301A-05-0873

DECISION NO. 74089

ORDER EXTENDING TIME
DEADLINE CONTAINED IN
DECISION NOS. 68864 AND 72632

Open Meeting
 September 10 & 11, 2013
 Phoenix, Arizona

BY THE COMMISSION:

* * * * *

Having considered the entire record herein and being fully advised in the premises, the
 Arizona Corporation Commission ("Commission") finds, concludes, and orders that:

FINDINGS OF FACT

1. Tortolita Water Company, Inc. ("Tortolita" or "Company") is located in a
 development called Garden Estates located in an area of Pima County northwest of Tucson.

2. In Decision No. 68864 (July 28, 2006), the Commission approved a rate increase for
 Tortolita. As part of that Decision, the Commission required Tortolita to file a rate case within five
 years of the effective date of the Decision.¹

3. In Decision No. 72632 (October 14, 2011), the Commission approved an extension of
 time for Tortolita to file a rate case until July 28, 2013, because although Decision No. 68864 had
 assumed that the Company would be serving 25 lots in 2011, Tortolita only had two customers.

¹ Tortolita received a Certificate of Convenience and Necessity in Decision No. 55928 (March 28, 1988) when it
 purchased the assets of the Tortolita Water system. Tortolita's water system was designed in 1976 to serve 12 lots which
 were never built. When it filed its 2005 rate case, the Company reported that the system was expanded to serve a
 subdivision of 25 lots. When it filed that rate case, it had one customer.

1 4. On July 17, 2013, Tortolita filed a second request for an extension of time. In its
 2 request, the Company states that it still only has two customers, and that the developer of the
 3 subdivision is meeting with several local and national builders that have shown interest in the project.
 4 The Company requested that the requirement to file a rate case be waived until the Company is
 5 serving more than 10 lots.

6 5. On July 30, 2013, the Commission's Utilities Division ("Staff") filed a Response to
 7 the Extension Request. Staff recommends that the Company not be required to file a rate case until
 8 July 1, 2018, or within 12 months of the Company providing service to its 10th customer, whichever
 9 comes later; and that the Company be ordered to notify the Commission when it begins providing
 10 service to its 10th customer.

11 6. To require the Company to file a rate case while it is serving only two customers is not
 12 a meaningful endeavor. The request for an extension of time to file a rate case, and Staff's
 13 recommendations, are reasonable.

14 CONCLUSIONS OF LAW

15 1. Tortolita is a public service corporation within the meaning of Article XV of the
 16 Arizona Constitution and A.R.S. §§40-281 and 40-282.

17 2. The Commission has jurisdiction over Tortolita and the subject matter of the request.

18 3. An extension of time to comply with the requirements of Decision No. 68864 and
 19 Decision No. 72632, as recommended by Staff, is fair and reasonable and in the public interest.

20 ORDER

21 IT IS THEREFORE ORDERED that the deadline for Tortolita Water Company, Inc. to file a
 22 rate case, as required by Decision No. 68864 and Decision No. 72632, is extended until July 1, 2018,
 23 or within 12 months of Tortolita Water Company, Inc. providing service to its 10th customer,
 24 whichever is later.

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1 IT IS FURTHER ORDERED that Tortolita Water Company, Inc. shall notify the
 2 Commission, by filing a Notice with Docket Control in this docket, when it begins providing service
 3 to its 10th customer.

4 IT IS FURTHER ORDERED that this Decision shall become effective immediately.

5 BY ORDER OF THE ARIZONA CORPORATION COMMISSION.

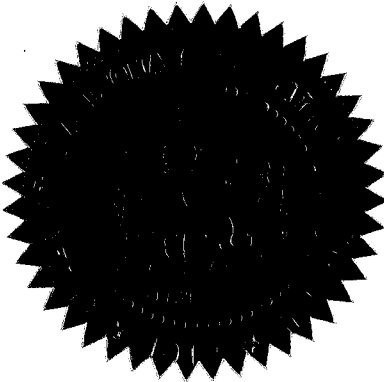
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 7
 8 CHAIRMAN

COMMISSIONER

9
 10 COMMISSIONER

COMMISSIONER

COMMISSIONER



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 12 IN WITNESS WHEREOF, I, JODI JERICH, Executive
 13 Director of the Arizona Corporation Commission, have
 14 hereunto set my hand and caused the official seal of the
 Commission to be affixed at the Capitol, in the City of Phoenix,
 this 23rd day of September 2013.

15
 16 JODI JERICH
 17 EXECUTIVE DIRECTOR

18 DISSENT _____

19
 20 DISSENT _____

21 JR:tv

SERVICE LIST FOR:

TORTOLITA WATER COMPANY, INC.

DOCKET NO.:

W-02301A-05-0873

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